

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 07894 01 OF 02 171009Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
EB-08 OMB-01 TRSE-00 DOTE-00 DOE-15 SOE-02 STR-07
FRB-03 CEA-01 /103 W
-----044769 171018Z /10

R 170959Z APR 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 0524
INFO USDOC WASHDC
AMCONSUL LENINGRAD
AMCONSUL MUNICH
USMISSION USNATO

LIMITED OFFICIAL USE SECTION 01 OF 02 MOSCOW 07894

USDOC FOR BEWT

E.O.11652: N/A
TAGS: UR, ECON
SUBJECT: SOVIET INDUSTRIAL PRODUCTION ABOVE PLAN FOR MARCH

REF: (A) MOSCOW 5312, (B) MOSCOW 6240

BEGIN UNCLASSIFIED

SUMMARY. SOVIET OVERALL INDUSTRIAL PRODUCTION FOR MARCH GREW BY 5 PERCENT COMPARED TO MARCH 1977 (ONE HALF A PERCENTAGE POINT ABOVE PLAN). SOVIET INDUSTRIAL MINISTRIES ON THE WHOLE FULFILLED THE MARCH TARGETS FOR "REALIZED PRODUCTION" (OUTPUT SOLD) INCLUDING THE GAS, OIL, COAL, STEEL, MACHINE-BUILDING, CHEMICAL AND PETRO-CHEMICAL INDUSTRIES. AS USUAL, HOWEVER, A NUMBER OF ENTERPRISES AND ASSOCIATIONS WITHIN VARIOUS MINISTRIES UNDERFULFILLED CONTRACT DELIVERY AND ASSORTMENT. A NUMBER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 07894 01 OF 02 171009Z

OF INDUSTRIAL BRANCHES ALSO FAILED TO ACHIEVE PRODUCTION TARGETS, INCLUDING SEVERAL BRANCHES OF THE MACHINE-BUILDING INDUSTRY. END SUMMARY.

1. OFFICIAL STATISTICS(PUBLISHED IN EKONOMICHESKAYA GAZETA NO. 16 BUT NOT IN THE CENTRAL PRESS) SHOW THAT INDUSTRIAL PRODUCTION IN MARCH GREW BY 5 PERCENT COMPARED

TO MARCH 1977 (ONE HALF A PERCENTAGE POINT ABOVE THE MARCH PLAN). THE FOLLOWING KEY INDUSTRIES FULFILLED OR OVERFULFILLED TARGETS FOR "REALIZED PRODUCTION" OR OUTPUT SOLD (PERCENTAGE OF PLAN FULFILLMENT AND 1978 AS A PERCENTAGE OF 1977): POWER AND ELECTRIFICATION 101 (105); GAS 104 (108); OIL 101 (104); PETRO-CHEMICAL AND PETROLEUM PROCESSING 101 (106); COAL 101 (99.2); HEAVY AND TRANSPORT MACHINE BUILDING 102 (105). SEVERAL INDUSTRIAL BRANCHES FAILED TO REACH TARGET, INCLUDING SULPHURIC ACID, POLYETHYLENE, ROLLING EQUIPMENT, FREIGHT WAGONS, AND WOOLLEN TEXTILES. MOREOVER, AS IT DID IN JANUARY AND FEBRUARY, EK. GAZ. AGAIN CRITICIZED FACT THAT TWO THIRDS OF THOSE ENTERPRISES AND ASSOCIATIONS WHICH FULFILLED OR OVERFULFILLED THEIR PLANS FOR SALES OF OUTPUT IN JANUARY AND FEBRUARY NEVERTHELESS FAILED TO FULFILL CONTRACTS AND OBLIGATIONS FOR DELIVERY (REFTEL A).

2. SOTSIALISTICHESKAYA INDUSTRIYA APRIL 13 PROVIDED ADDITIONAL DETAILS ON BRANCHES WHICH FAILED TO ACHIEVE "REALIZED PRODUCTION" TARGETS. IN THE MACHINERY AND EQUIPMENT SECTORS, THESE INCLUDED GENERATORS FOR STEAM AND GAS TURBINES, 22 PERCENT LESS THAN PLAN; ROLLING EQUIPMENT ONLY 88 PERCENT OF PLAN BY CAPACITY AND 93 PERCENT BY VALUE; OIL APPARATUS; ELECTRIC LOCOMOTIVES; AND FREIGHT CARS. ALTHOUGH THE MINISTRY OF THE CHEMICAL INDUSTRY AND THE MINISTRY OF THE PETRO-CHEMICAL INDUSTRY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MOSCOW 07894 01 OF 02 171009Z

INCREASED PRODUCTION 4 AND 2 PERCENT RESPECTIVELY, PRODUCTION OF SEVERAL CHEMICALS FELL BELOW PLAN. THE MINISTRY OF FERROUS METALLURGY PRODUCED ONLY 80 PERCENT OF THE PLAN FOR MINERAL FERTILIZERS.

3. BOTH EKONOMICHESKAYA GAZETA AND SOTSIALISTICHESKAYA INDUSTRIYA OFFER THE SAME TIRED NOSTRUMS TO "LIQUIDATE" PROBLEMS. EK. GAZ. STRESSES "RESERVES" AND LEARNING FROM THE EXPERIENCE OF LEADING COLLECTIVES. SOTSIALISTICHESKAYA INDUSTRIYA, ON THE OTHER HAND, RECOMMENDS THAT "ALL PARTICIPATE IN SOCIALIST COMPETITION AND FULFILL SOCIALIST OBLIGATIONS."

END UNCLASSIFIED.

BEGIN LIMITED OFFICIAL USE.

4. COMMENT: ALTHOUGH GROSS INDUSTRIAL PRODUCTION CONTINUES TO BE ABOVE PLAN, PROBLEMS APPARENT IN THE FIRST TWO MONTHS OF THE YEAR (REF A) CONTINUE TO PLAGUE THE ECONOMY. GIVEN BELOW PLAN RESULTS IN ROLLING EQUIPMENT, STEAM AND GAS TURBINES, OIL APPARATUS, ETC., THE INVESTMENT SECTOR

REMAINS BESET BY DIFFICULTIES. EXTRAPOLATING FROM SILENCE
ON THE BELOW PLAN BRANCHES OF THE MACHINERY AND EQUIPMENT
BRANCHES IN JANUARY-FEBRUARY IT MAY BE SURMISED THAT
PRODUCTION OF BLAST FURNACE REFINERY EQUIPMENT, METAL-
CUTTING LATHES ETC. IN MARCH DID NOT OVERCOME BELOW PLAN
RESULTS IN JANUARY-FEBRUARY. IN THE ENERGY SECTOR, THE
COAL INDUSTRY HAS NOT BEEN INCREASING PRODUCTION; INDEED,
GIVEN THAT THE INDUSTRY OVERFULFILLED PLAN BY ONE
PERCENTAGE POINT BUT PRODUCED ONLY 99.2 PERCENT OF THE
FIGURE FOR MARCH 1977, IT SEEMS CLEAR THAT THE 1978 TARGET
WAS BELOW 1977'S. MOREOVER, RAILROAD TRANSPORT, WHICH
EK. GAZ. AGAIN BLAMES AS IMPORTANT CAUSE OF UNDERFULFIL-
MENT OF DELIVERY CONTRACTS AND OBLIGATIONS (AS IN
JANUARY FEBRUARY: REFTEL) PROMISES TO BE A CONTINUING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 MOSCOW 07894 01 OF 02 171009Z

PROBLEM: IT IS NOT RECEIVING THE ELECTRIC ENGINES AND

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 07894 02 OF 02 171012Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
EB-08 OMB-01 TRSE-00 DOE-15 SOE-02 STR-07 FRB-03
CEA-01 DOTE-00 /103 W
-----044799 171017Z /13

R 170959Z APR 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 0525
INFO USDOC WASHDC
AMCONSUL LENINGRAD
AMCONSUL MUNICH
USMISSION USNATO

LIMITED OFFICIAL USE SECTION 02 OF 02 MOSCOW 07894

WAGONS WHICH THE MINISTER OF RAILROADS PAVLOVSKIY
ATTRIBUTED IN PART THE FAILURE OF THE RAILROAD INDUSTRY
TO MEET TRANSPORTATION TARGETS (REF B). TOON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDUSTRIAL PRODUCTION, ECONOMIC DEVELOPMENT, PROGRESS REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MOSCOW07894
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780163-1308
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780449/aaaabprz.tel
Line Count: 170
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ff5288ac-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 MOSCOW 5312, 78 MOSCOW 6240
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2944599
Secure: OPEN
Status: NATIVE
Subject: SOVIET INDUSTRIAL PRODUCTION ABOVE PLAN FOR MARCH
TAGS: ECON, UR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ff5288ac-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014